

DEBTOR(S): Powell Valley Health Care, Inc.

**MONTHLY OPERATING REPORT
CHAPTER 11**

CASE NUMBER: 16-20326

**Form 2-A
COVER SHEET**

For Period End Date: 4/30/2017

Accounting Method: Accrual Basis Cash Basis

THIS REPORT IS DUE 21 DAYS AFTER THE END OF THE MONTH

Mark One Box for Each
Required Document:

Debtor must attach each of the following documents unless the U. S. Trustee
has waived the requirement in writing. File the original with the Clerk of Court.
Submit a duplicate, with original signature, to the U. S. Trustee.

Report/Document Attached	Previously Waived	REQUIRED REPORTS/DOCUMENTS
<input checked="" type="checkbox"/>	<input type="checkbox"/>	1. Cash Receipts and Disbursements Statement (Form 2-B)
<input checked="" type="checkbox"/>	<input type="checkbox"/>	2. Balance Sheet (Form 2-C)
<input checked="" type="checkbox"/>	<input type="checkbox"/>	3. Profit and Loss Statement (Form 2-D)
<input checked="" type="checkbox"/>	<input type="checkbox"/>	4. Supporting Schedules (Form 2-E)
<input checked="" type="checkbox"/>	<input type="checkbox"/>	5. Quarterly Fee Summary (Form 2-F)
<input checked="" type="checkbox"/>	<input type="checkbox"/>	6. Narrative (Form 2-G)
<input checked="" type="checkbox"/>	<input type="checkbox"/>	7. Bank Statements for All Bank Accounts <i>(Redact all but last 4 digits of account number and remove check images)</i>
<input checked="" type="checkbox"/>	<input type="checkbox"/>	8. Bank Statement Reconciliations for all Bank Accounts
<input type="checkbox"/>		9. Evidence of insurance for all policies renewed or replaced during month

I declare under penalty of perjury that the following Monthly Operating Report, and any attachments thereto are true, accurate and correct to the best of my knowledge and belief.

Executed on: 5/1/17 Print Name: Michael Long

Signature: ml

Title: Chief Financial Officer

DEBTOR(S) Powell Valley Health Care, Inc.

CASE NO:

16-20326

Form 2-B
CASH RECEIPTS AND DISBURSEMENTS STATEMENT

For Period: 04/01/2017 to 04/30/2017

CASH FLOW SUMMARY		<u>Current Month</u>	<u>Accumulated</u>
1. Beginning Cash Balance		\$ <u>4,337,492</u> (1)	\$ <u>3,499,673</u> (1)
2. Cash Receipts			
Operations		3,659,858	45,239,755
Sale of Assets		0	0
Loans/advances		0	0
Other		0	2,170
Total Cash Receipts		\$ <u>3,659,858</u>	\$ <u>45,241,925</u>
3. Cash Disbursements			
Operations		3,722,454	44,120,128
Debt Service/Secured loan payment		0	0
Professional fees/U.S. Trustee fees		0	0
Professional fees paid from retainer (e.g. COLTAF accts)		0	0
Other		0	346,575
Total Cash Disbursements		\$ <u>3,722,454</u>	\$ <u>44,466,703</u>
4. Net Cash Flow (Total Cash Receipts less Total Cash Disbursements)		<u>-62,597</u>	<u>775,222</u>
5 Ending Cash Balance (to Form 2-C)		\$ <u>4,274,895</u> (2)	\$ <u>4,274,895</u> (2)
CASH BALANCE SUMMARY		<u>Financial Institution</u>	<u>Book Balance</u>
Petty Cash		<u>Powell Valley Healthcare</u>	\$ <u>2,170</u>
DIP Operating Account		<u>1st Bank Wyo</u> <u>8425</u>	<u>-217,970</u>
DIP State Tax Account			<u>0</u>
DIP Payroll Account		<u>1st Bank Wyo</u> <u>4501</u>	<u>10,347</u>
Other Operating Account		<u>1st Bank Wyo</u> <u>See form 2G</u>	<u>4,480,348</u>
Retainers held by professionals (i.e. COLTAF)			<u>0</u>
TOTAL (must agree with Ending Cash Balance above)		\$ <u>4,274,895</u> (2)	

(1) *Accumulated beginning cash balance is the cash available at the commencement of the case and retainers. Current month beginning cash balance should equal the previous month's ending balance.*

(2) *All cash balances should be the same.*

DEBTOR(S): Powell Valley Health Care, Inc.

CASE NO:

16-20326

Form 2-B
CASH RECEIPTS AND DISBURSEMENTS STATEMENT

For Period: 04/01/2017 to 04/30/2017**CASH RECEIPTS DETAIL**

(attach additional sheets as necessary)

Account No:**7301**

Date	Payer	Description	Amount
04/03/2017	Medicare EFT	Patient/Resident account	18,519.62
04/03/2017	Aetna/BCBS	Patient/Resident account	1,419.13
04/03/2017	CIGNA	Patient/Resident account	168.10
04/03/2017	Other commercial	Patient/Resident account	183.85
04/03/2017	Other	Cash payments	4,424.33
04/03/2017	Other EFTs	Patient/Resident account	22,062.40
04/04/2017	Medicare EFT	Patient/Resident account	19,550.19
04/04/2017	CIGNA	Patient/Resident account	9,674.44
04/04/2017	Other commercial	Patient/Resident account	183,050.62
04/04/2017	Other	Cash payments	59,143.13
04/04/2017	Other EFTs	Patient/Resident account	100,437.01
04/05/2017	Medicare EFT	Patient/Resident account	17,215.35
04/05/2017	Other commercial	Patient/Resident account	1,986.90
04/05/2017	Other	Cash payments	25,581.78
04/05/2017	Other EFTs	Patient/Resident account	18,210.68
04/06/2017	Medicare EFT	Patient/Resident account	10,595.21
04/06/2017	Other commercial	Patient/Resident account	106.54
04/06/2017	Other	Cash payments	9,979.68
04/06/2017	Other EFTs	Patient/Resident account	217,166.31
04/07/2017	Medicare EFT	Patient/Resident account	17,472.14
04/07/2017	CIGNA	Patient/Resident account	571.33
04/07/2017	Other commercial	Patient/Resident account	1,000.27
04/07/2017	Other	Cash payments	43,725.65
04/07/2017	Other EFTs	Patient/Resident account	43,983.35
04/10/2017	Medicare EFT	Patient/Resident account	41,036.16
04/10/2017	Aetna/BCBS	Patient/Resident account	626.77
04/10/2017	CIGNA	Patient/Resident account	1,978.94
04/10/2017	Other commercial	Patient/Resident account	30,292.48
04/10/2017	Other	Cash payments	15,934.42
04/10/2017	Other EFTs	Patient/Resident account	193,436.13
04/11/2017	Medicare EFT	Patient/Resident account	17,329.58
04/11/2017	Aetna/BCBS	Patient/Resident account	10,625.73
04/11/2017	CIGNA	Patient/Resident account	4,171.35
04/11/2017	Other commercial	Patient/Resident account	33,162.92
04/11/2017	Other	Cash payments	17,667.46
04/11/2017	Other EFTs	Patient/Resident account	105,970.61
04/12/2017	Medicare EFT	Patient/Resident account	15,243.78
04/12/2017	CIGNA	Patient/Resident account	102.27
04/12/2017	Other commercial	Patient/Resident account	1,214.43
04/12/2017	Other	Cash payments	31,615.10
04/12/2017	Other EFTs	Patient/Resident account	13,180.92
04/13/2017	Medicare EFT	Patient/Resident account	14,588.51
04/13/2017	CIGNA	Patient/Resident account	1,740.66
04/13/2017	Other commercial	Patient/Resident account	947.36
04/13/2017	Other	Cash payments	59,882.23
04/13/2017	Other EFTs	Patient/Resident account	172,581.21
04/14/2017	Medicare EFT	Patient/Resident account	19,152.31
04/14/2017	Other commercial	Patient/Resident account	100,399.57
04/14/2017	Other	Cash payments	16,401.02
04/14/2017	Other EFTs	Patient/Resident account	22,419.79
04/17/2017	Medicare EFT	Patient/Resident account	28,756.30
04/17/2017	Aetna/BCBS	Patient/Resident account	1,789.00
04/17/2017	CIGNA	Patient/Resident account	1,659.41
04/17/2017	Other commercial	Patient/Resident account	2,908.68
04/17/2017	Other	Cash payments	11,384.08

DEBTOR(S): Powell Valley Health Care, Inc.

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16-20326

Form 2-B
CASH RECEIPTS AND DISBURSEMENTS STATEMENT

For Period: 04/01/2017 to 04/30/2017**CASH RECEIPTS DETAIL**

(attach additional sheets as necessary)

Account No:**7301**

Date	Payer	Description	Amount
04/17/2017	Other EFTs	Patient/Resident account	272,739.75
04/18/2017	CIGNA	Patient/Resident account	5,229.22
04/18/2017	Other commercial	Patient/Resident account	87,811.78
04/18/2017	Other	Cash payments	66,019.55
04/18/2017	Other EFTs	Patient/Resident account	63,716.34
04/19/2017	Medicare EFT	Patient/Resident account	24,510.64
04/19/2017	Other commercial	Patient/Resident account	30,467.64
04/19/2017	Other	Cash payments	10,179.71
04/19/2017	Other EFTs	Patient/Resident account	19,943.02
04/20/2017	Medicare EFT	Patient/Resident account	21,742.40
04/20/2017	Aetna/BCBS	Patient/Resident account	2,439.02
04/20/2017	Other commercial	Patient/Resident account	17,660.69
04/20/2017	Other	Cash payments	41,204.23
04/20/2017	Other EFTs	Patient/Resident account	158,200.85
04/21/2017	Medicare EFT	Patient/Resident account	14,796.36
04/21/2017	CIGNA	Patient/Resident account	557.22
04/21/2017	Other commercial	Patient/Resident account	1,718.36
04/21/2017	Other	Cash payments	26,354.30
04/21/2017	Other EFTs	Patient/Resident account	29,163.39
04/24/2017	Medicare EFT	Patient/Resident account	23,864.74
04/24/2017	Aetna/BCBS	Patient/Resident account	349.00
04/24/2017	Other commercial	Patient/Resident account	21,636.72
04/24/2017	Other	Cash payments	8,212.54
04/24/2017	Other EFTs	Patient/Resident account	403,570.43
04/25/2017	Medicare EFT	Patient/Resident account	25,414.14
04/25/2017	CIGNA	Patient/Resident account	2,122.21
04/25/2017	Other commercial	Patient/Resident account	42,699.70
04/25/2017	Other	Cash payments	37,092.51
04/25/2017	Other EFTs	Patient/Resident account	48,821.50
04/26/2017	Medicare EFT	Patient/Resident account	21,191.54
04/26/2017	CIGNA	Patient/Resident account	136.47
04/26/2017	Other commercial	Patient/Resident account	867.08
04/26/2017	Other	Cash payments	17,073.93
04/26/2017	Other EFTs	Patient/Resident account	27,591.13
04/27/2017	Medicare EFT	Patient/Resident account	44,176.29
04/27/2017	Other commercial	Patient/Resident account	1,048.75
04/27/2017	Other	Cash payments	15,770.14
04/27/2017	Other EFTs	Patient/Resident account	157,613.37
04/28/2017	CIGNA	Patient/Resident account	150.18
04/28/2017	Other commercial	Patient/Resident account	8,136.56
04/28/2017	Other	Cash payments	20,414.58
04/28/2017	Other EFTs	Patient/Resident account	23,022.50
		Total Cash Receipts	\$ 3,659,857.67 (1)

(1) Total for all accounts should agree with total cash receipts listed on Form 2-B, page 1

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DEBTOR(S): Powell Valley Health Care, Inc.

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Form 2-B
CASH RECEIPTS AND DISBURSEMENTS STATEMENT
For Period: 04/01/2017 to 04/30/2017

CASH DISBURSEMENTS DETAIL
(attach additional sheets as necessary)

Account No:

8425

Date	Check No.	Payee	Description (Purpose)	Amount
04/03/17	EFT	Electronic Funds Transfer	FICA payroll taxes	127,153.45
04/03/17	EFT	Electronic Funds Transfer	Federal withholding payroll taxes	123,002.80
04/04/17	EFT	Electronic Funds Transfer	Trsf to pension act 7901 correction	50.70
04/04/17	EFT	Electronic Funds Transfer	Trsf to EMBS act 6301	163,989.95
04/05/17	EFT	Electronic Funds Transfer	Montana state tax	987.00
04/10/17	EFT	Electronic Funds Transfer	Trsf to EMBS act 6301	114,205.89
04/13/17	EFT	Electronic Funds Transfer	Trsf to payroll act 4501- auto deposit	577,900.54
04/13/17	EFT	Electronic Funds Transfer	Trsf to payroll act 4501- manual chks	10,305.21
04/13/17	EFT	Electronic Funds Transfer	Trsf to pension act 7901	63,330.45
04/17/17	EFT	Electronic Funds Transfer	FICA payroll taxes	118,702.03
04/17/17	EFT	Electronic Funds Transfer	Federal withholding payroll taxes	112,012.58
04/18/17	EFT	Electronic Funds Transfer	Montana state tax	950.00
04/20/17	EFT	Electronic Funds Transfer	Trsf to EMBS act 6301	27,778.12
04/26/17	EFT	Electronic Funds Transfer	Trsf to EMBS act 6301	57,371.52
04/27/17	EFT	Electronic Funds Transfer	Trsf to payroll act 4501- auto deposit	772,616.51
04/27/17	EFT	Electronic Funds Transfer	Trsf to payroll act 4501- manual chks	10,578.07
04/28/17	EFT	Electronic Funds Transfer	Trsf to pension act 7901	86,778.29

5737-6084	Accounts Payable checks	See attached check register	1,348,878.57
5824	Accounts Payable Void	See attached check register	5,862.67

Total Cash Disbursements \$ 3,722,454.35 (1)

COMPARATIVE BALANCE SHEET

For Period Ended: 04/30/2017

(1) Petition date values are taken from the Debtor's balance sheet as of the petition date or are the values listed on the Debtor's schedules.

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DEBTOR(S): Powell Valley Health Care, Inc.

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Form 2-D
PROFIT AND LOSS STATEMENT
For Period 04/01/2017 **to** 04/30/2017

	<u>Current</u> <u>Month</u>	<u>Accumulated</u> <u>Total (1)</u>
Gross Operating Revenue	\$ 6,876,939	\$ 71,465,293
Less: Discounts, Returns and Allowances	(2,924,747)	(28,142,468)
Net Operating Revenue	\$ 3,952,192	\$ 43,322,825
Cost of Goods Sold	3,120,472	37,575,464
Gross Profit	\$ 831,720	\$ 5,747,361
Operating Expenses		
Officer Compensation	\$ 2,550	\$ 175,792
Selling, General and Administrative	0	0
Rents and Leases	95,371	974,245
Depreciation, Depletion and Amortization	61,363	704,698
Other (list):	Repairs	56,665
	Insurance	664,886
Total Operating Expenses	\$ 275,054	\$ 3,171,286
Operating Income (Loss)	\$ 556,666	\$ 2,576,075
Non-Operating Income and Expenses		
Other Non-Operating Expenses	\$ 0	\$ 0
Gains (Losses) on Sale of Assets	0	0
Interest Income	0	0
Interest Expense	-5,620	-49,207
Other Non-Operating Income	0	0
Net Non-Operating Income or (Expenses)	\$ -5,620	\$ -49,207
Reorganization Expenses		
Legal and Professional Fees	\$ 321,620	\$ 2,076,157
Other Reorganization Expense	0	0
Total Reorganization Expenses	\$ 321,620	\$ 2,076,157
Net Income (Loss) Before Income Taxes	\$ 229,426	\$ 450,711
Federal and State Income Tax Expense (Benefit)	0	0
NET INCOME (LOSS)	\$ 229,426	\$ 450,711

(1) *Accumulated Totals include all revenue and expenses since the petition date.*

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DEBTOR(S):

Powell Valley Health Care, Inc.

CASE NO: 16-20326

Form 2-E (Page 1 of 2)
SUPPORTING SCHEDULES

For Period: 04/01/2017 to 04/30/2017

Summary of Post-Petition Taxes				
Type of tax	1	2	3	4
	Unpaid post-petition taxes from prior reporting month(1)	Post-petition taxes accrued this month (new obligations)	Post-petition tax payments made this reporting month	Unpaid post-petition taxes at end of reporting month (columns 1+2-3)
Federal				
Employee income tax withheld	123,002	347,777	235,015	235,764
Employee FICA taxes withheld	63,432	122,771	122,928	63,275
Employer FICA taxes	63,432	122,771	122,928	63,275
Unemployment taxes				
Other:				
State				
Sales, use & excise taxes	315	78	168	225
Unemployment taxes				
Other: Worker Compensation	152,363	55,994	171,574	36,782
Local				
Personal property taxes				
Real property taxes				
Other:				
Total unpaid post-petition taxes				399,321

(1) For first report, the beginning balance in column 1 will be \$0; thereafter, beginning balance will be ending balance from prior report.

Insurance Coverage Summary				
Type of insurance	Insurance carrier	Coverage amount	Policy expiration date	Premium paid through date
Workers' compensation	State of Wyoming	Not Applicable	Not Applicable	Not Applicable
General liability	National Fire & Risk/AB Risk, USI Insurance Service	\$1M/\$5M \$5M Umbrella	08/01/2017	07/31/2017
Property (fire, theft, etc.)	Affiliated FM Insurance Company, USI Insurance Service	Bldg \$100m Flood \$75m	08/01/2017	07/31/2017
Vehicle	National Indemnity Company/RPS, Ohio Security Insurance, USI Insurance Service	\$1M auto & \$1m Ambulat	08/01/2017	07/31/2017
Other (list): Director & Officer Liability	Darwin National Assurance Co., USI Insurance Service	\$2m	09/07/2017	09/07/2017
Other (list): Internet/Cyber Liability	NAS/Lloyd's of London, USI Insurance Service	\$1m/claim \$1m/agg	09/01/2017	09/01/2017
Other (list): Crime	Travelers Casualty and Surety, USI Insurance Service	\$500,000	08/01/2017	07/31/2017

If any policies were renewed or replaced during reporting period, attach new certificate of insurance.

DEBTOR(S): Powell Valley Health Care, Inc.

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**Form 2-E (Page 2 of 2)
SUPPORTING SCHEDULES**

For Period: 04/01/2017 00:00 to 04/30/2017 00:00

Accounts Receivable Aging Summary (attach detailed aging report)					
	30 days or less	31 to 60 days	61 to 90 days	Over 90 days	Total at month end
Pre-petition receivables				181,044	181,044
Post-petition receivables	3,675,578	1,591,949	853,054	1,740,960	7,861,542
Total	3,675,578	1,591,949	853,054	1,922,004	8,042,586

Post-Petition Accounts Payable Aging Summary (attach detailed aging report)					
	30 days or less	31 to 60 days	61 to 90 days	Over 90 days	Total at month end
Trade Payables	591,943	101,561	11,481	640,797	1,345,782
Other Payables	3,300	3,300	3,300	26,128	36,028
Total	595,243	104,861	14,781	666,925	1,381,810

SCHEDULE OF PAYMENTS TO ATTORNEYS AND OTHER PROFESSIONALS					
	Month-end Retainer Balance	Current Month's Accrual	Paid in Current Month	Court Approval Date	Month-end Balance Due *
Debtor's Counsel	\$159,533	26,622	17,360	04/11	\$168,795
Counsel for Unsecured					
Creditors' Committee	27,403	43,342	13,996	04/11	\$56,749
Trustee's Counsel					
Accountant					
Other: CKKK		244	244	04/11	
Total	186,936	70,208	31,600		225,544

*Balance due to include fees and expenses incurred but not yet paid.

SCHEDULE OF PAYMENTS AND TRANSFERS TO PRINCIPALS/EXECUTIVES**			
Payee Name	Position	Nature of Payment	Amount
Michael Long	Chief Financial Officer	Salary/Wages	2,550

**List payments and transfers of any kind and in any form made to or for the benefit of any proprietor, owner, partner, shareholder, officer, or director.

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Form 2-F
QUARTERLY FEE SUMMARY *
For the Month Ended: 04/30/2017

<u>Month</u>	<u>Year</u>	<u>Cash Disbursements **</u>	<u>Quarterly Fee Due</u>	<u>Check No.</u>	<u>Date Paid</u>
January	<u>20 17</u>	\$ 3,828,457			
February	<u>20 17</u>	3,489,036			
March	<u>20 17</u>	4,204,015			
TOTAL 1st Quarter		<u><u>11,521,508</u></u> \$	<u>13000</u>	<u>5,902</u>	<u>04/12/17</u>
April	<u>20 17</u>	3,722,454			
May	<u>20 17</u>	0			
June	<u>20 17</u>	0			
TOTAL 2nd Quarter		<u><u>3,722,454</u></u> \$			
July	<u>20 16</u>	4,385,351			
August	<u>20 16</u>	4,176,264			
September	<u>20 16</u>	3,938,695			
TOTAL 3rd Quarter		<u><u>12,500,310</u></u> \$	<u>13,000</u>	<u>3,605</u>	<u>10/18/16</u>
October	<u>20 16</u>	4,223,353			
November	<u>20 16</u>	3,742,311			
December	<u>20 16</u>	4,046,540			
TOTAL 4th Quarter		<u><u>12,012,204</u></u> \$	<u>13,000</u>	<u>4,766</u>	<u>01/18/17</u>

FEE SCHEDULE (as of JANUARY 1, 2008)

Subject to changes that may occur to 28 U.S.C. §1930(a)(6)

<u>Quarterly Disbursements</u>	<u>Fee</u>	<u>Quarterly Disbursements</u>	<u>Fee</u>
\$0 to \$14,999.....	\$325	\$1,000,000 to \$1,999,999.....	\$6,500
\$15,000 to \$74,999.....	\$650	\$2,000,000 to \$2,999,999.....	\$9,750
\$75,000 to \$149,999.....	\$975	\$3,000,000 to \$4,999,999.....	\$10,400
\$150,000 to \$224,999.....	\$1,625	\$5,000,000 to \$14,999,999	\$13,000
\$225,000 to \$299,999.....	\$1,950	\$15,000,000 to \$29,999,999....	\$20,000
\$300,000 to \$999,999.....	\$4,875	\$30,000,000 or more	\$30,000

* This summary is to reflect the current calendar year's information cumulative to the end of the reporting period

** Should agree with line 3, Form 2-B. Disbursements are net of transfers to other debtor in possession bank accounts

Failure to pay the quarterly fee is cause for conversion or dismissal of the chapter 11 case. [11 U.S.C. Sec. 1112(b)(10)]

In addition, unpaid fees are considered a debt owed to the United States and will be assessed interest under 31 U.S.C. §3717

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DEBTOR(S) Powell Valley Health Care, Inc.

CASE NO: 16-20326

**Form 2-G
NARRATIVE**

For Period Ending: 04/30/2017

Please provide a brief description of any significant business and legal actions taken by the debtor, its creditors, or the court during the reporting period, any unusual or non-recurring accounting transactions that are reported in the financial statements, and any significant changes in the financial condition of the debtor which have occurred subsequent to the report date.

FORM 2B-1 Line 50, Cash Accounts are made up of General Checking #7301, EBMS Checking #6301, Flex Spending #3101, Care Center Resident Trust #2088, Employee Benefit #5601, and Pension #7901. Form 2B-3 Cash Disbursements other is for vendor deposits made during the period. **Form 2C-Liabilities**, line 38 Other Payables, this line is made up of accrued Provider Incentives \$138,235, Accrued Payroll \$635,503, 3rd Party Receivable/Payable (Medicare Cost Report Settlement) \$(266,117), Assisted Living Room Retainer \$36,000, NH Resident Trust \$7,246.26, and Accrued Benefits \$1,973,251. **Form 2D** Officer compensation equals the amount listed on Form 2E. Rent, Depreciation, Interest, Repairs, and Insurance come from facility income statement, all other expenses is combined into cost of goods sold. **Form 2-E pg 2** "Other" fees are for Copenhaver, Kath, Kitchen, & Kolpitcke for non-chapter 11 hospital legal counsel of \$ 244. Principals/Executives - M Long includes salary